

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0082-26_

SPONSOR: Carl R. Slater

TITLE: An Action Relating to the Naabik'iyáti' Committee; Supporting Arizona State Legislature House Bill 2984, An Act to Reduce Dual Taxation and Promote Economic Development on Tribal Lands and to Support Tribally Controlled Community Colleges and Postsecondary Education Institutions

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LEGISLATIVE SUMMARY SHEET

Tracking No. 0082-26

DATE: April 8, 2026

TITLE OF RESOLUTION: AN ACTION RELATING TO THE NAABIK'ÍYÁTI' COMMITTEE; SUPPORTING ARIZONA STATE LEGISLATURE HOUSE BILL 2984, AN ACT TO REDUCE DUAL TAXATION AND PROMOTE ECONOMIC DEVELOPMENT ON TRIBAL LANDS AND TO SUPPORT TRIBALLY CONTROLLED COMMUNITY COLLEGES AND POSTSECONDARY EDUCATIONAL INSTITUTIONS

PURPOSE: This resolution, if approved, would support Arizona House Bill 2984, introduced by Arizona State Representative Myron Tsosie, which establishes a tax credit for taxes paid to Indian tribes on the same tax base and provides for the distribution of certain revenues to qualifying tribal community colleges and postsecondary educational institutions.

FINAL AUTHORITY: Naabik'iyáti' Committee

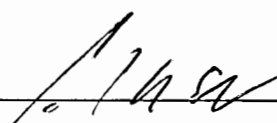
VOTE REQUIRED: Simple Majority

This written summary does not address recommended amendments as may be provided by the standing committees. The Office of Legislative Counsel requests each Council Delegate to review each proposed resolution in detail.

5-DAY BILL HOLD PERIOD: At M.I.K.P.T.
Website Posting Time/Date: _____
Posting End Date: 4/20/26
Eligible for Action: 4/21/26

1 PROPOSED STANDING COMMITTEE RESOLUTION
2 25th NAVAJO NATION COUNCIL—Fourth Year, 2026

3 Introduced by:

4
5 
6 _____
7 Primary Sponsor

8 Tracking No. 0082-26

9
10 AN ACTION
11 RELATING TO THE NAABIK'ÍYÁTI' COMMITTEE; SUPPORTING ARIZONA
12 STATE LEGISLATURE HOUSE BILL 2984, AN ACT TO REDUCE DUAL
13 TAXATION AND PROMOTE ECONOMIC DEVELOPMENT ON TRIBAL LANDS
14 AND TO SUPPORT TRIBALLY CONTROLLED COMMUNITY COLLEGES AND
15 POSTSECONDARY EDUCATIONAL INSTITUTIONS

16
17 WHEREAS:

- 18 A. The Naabik'iyáti' Committee is a standing committee of the Navajo Nation Council
19 empowered to coordinate all requests for information, appearances, and testimony
20 related to proposed county, state, and federal legislation impacting the Navajo Nation.
21 2. N.N.C. §§ 700 (A) and 701 (A)(6).
- 22 B. The Navajo Nation is a sovereign Tribal Nation with an enrolled membership
23 exceeding 420,000 people and maintains government-to-government relations with
24 the State of Arizona.
- 25 C. The power to tax is an inherent attribute of tribal sovereignty, as affirmed by the
26 United States Supreme Court in *Kerr-McGee Corp. v. Navajo Tribe*, 471 U.S. 195
27 (1985), that upheld the Navajo Nation's authority to impose taxes on non-Indian
28 entities conducting business within its jurisdiction without federal approval.
- 29 D. The United States Supreme Court further recognized that states and Indian Tribes
30 may impose taxes on the same economic activity, as held in *Cotton Petroleum Corp.*

1 v. *New Mexico*, 490 U.S. 163 (1989), thereby permitting the existence of concurrent
2 or “dual taxation” on activities occurring within tribal lands.

3 E. Dual taxation of economic activity within tribal lands places a disproportionate
4 financial burden on businesses operating in Indian Country, discourages investment,
5 and limits the ability of Tribal Nations to fully realize the economic benefits of their
6 inherent sovereign taxing authority.

7 F. Legislative and policy measures that mitigate the effects of dual taxation are
8 necessary to promote economic fairness, enhance competitiveness within tribal
9 jurisdictions, and support Tribal Nations in exercising their sovereign rights on equal
10 footing with other governmental entities.

11 G. On February 5, 2026, Arizona State Representative Myron Tsosie introduced Arizona
12 House Bill 2984 (“HB 2984”), attached as **Exhibit A**, “An Act Amending Title 42,
13 Chapter 5, Article 1, Arizona Revised Statutes, By Adding Section 42-5046; Relating
14 To Transaction Privilege Tax,” and it received its first reading on February 5, 2026,
15 and its second reading on February 9, 2026.

16 H. HB 2984 proposes to amend Title 42 of the Arizona Revised Statutes by establishing
17 a tax credit against Arizona transaction privilege taxes for taxes paid to an Indian
18 Tribe on the same tax base during the same taxable period.

19 I. HB 2984 recognizes and affirms the authority of Indian Tribes to levy taxes on gross
20 proceeds of sales or gross income derived from business conducted within the State
21 of Arizona and seeks to prevent duplicative taxation on the same tax base.

22 J. By providing a credit for taxes paid to Indian tribes, HB 2984 promotes equitable tax
23 policy, reduces the adverse impacts of dual taxation, and encourages economic
24 development within tribal jurisdictions.

25 K. HB 2984 further provides that, for qualifying Indian Tribes, a portion of the tax credit
26 shall be distributed to the tribe and directed to community colleges or postsecondary
27 educational institutions that are owned, operated, or chartered by the tribe on its
28 reservation.

29 L. The bill requires that such distributed funds be used exclusively for programs,
30 maintenance, renewal, and capital expenses of tribally controlled community colleges

1 and postsecondary educational institutions, thereby directly supporting higher
2 education opportunities within Indian Country.

3 M. Investment in tribally controlled educational institutions strengthens workforce
4 development, promotes economic self-sufficiency, supports cultural preservation and
5 language revitalization, and advances long-term community stability.

6 N. The Navajo Nation recognizes the importance of laws and policies that reduce
7 barriers to economic activity within tribal lands while simultaneously supporting
8 education, workforce development, and community advancement for present and
9 future generations.

10 O. For these reasons, the Navajo Nation finds that supporting HB 2984 will be of great
11 benefit to the Navajo Nation and its citizens.

12
13 **NOW, THEREFORE BE IT RESOLVED:**

14 A. The Navajo Nation hereby supports Arizona House Bill 2984, introduced by Arizona
15 State Representative Myron Tsosie, as a measure that promotes fair and equitable
16 taxation, respects tribal sovereignty, and supports economic development within
17 Indian Country.

18 B. The Navajo Nation urges the Arizona State Legislature to enact HB 2984 to address
19 the adverse impacts of dual taxation and to support the ability of Tribal Nations to
20 exercise their inherent taxing authority without undue economic disadvantage.

21 C. The Navajo Nation further supports the provisions of HB 2984 that provide funding
22 to tribally controlled community colleges and postsecondary educational institutions,
23 recognizing the critical role such institutions play in advancing education, workforce
24 development, and self-determination.

25 D. The Navajo Nation encourages continued collaboration between the State of Arizona
26 and Tribal Nations to develop policies that promote economic fairness, strengthen
27 government-to-government relations, and support sustainable growth within tribal
28 communities

29 E. The Navajo Nation hereby authorizes the Navajo Nation President, Navajo Nation
30 Vice-President, and the Speaker of the Navajo Nation Council and their designees to

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take all steps necessary to advocate for the Navajo Nation's position with respect to this resolution.